'First of a kind' General

Detroit Diesel Allison Division, General Motors, displayed this "first of a kind," electronically controlled GMC General at its annual Indy 500 Truck Roadeo in Indianapolis for key distributors and customers. It features an 8V92TTA DDEC (Detroit Diesel Electronic Control) engine and an HTB 755CR ATEC (Allison Transmission Electronic Control) automatic transmission with the new output shaft retarder

Axle remanufacture launched by Rockwell

TROY, Mich.—A comprehensive $1.5 million program involving Rockwell International's entry into the remanufacture of axle carriers for the truck aftermarket has been announced by the company's On-Highway Products Operations.

The remanufactured carriers are available through the OEM truck-dealer network, first in the Southeast region of the U.S. For the first six months, the program will be available only through OEM dealers in Florida, Alabama, Georgia, North and South Carolina, West Virginia, Virginia, Kentucky and Tennessee.

The company said it decided on the regional approach so that it could better monitor the balance between long-term capacity requirements and market demand.

"Our remanufacturing process," said Richard A. Banfield, vice president, Operations and Service Parts, "will be housed initially in a 22,000-square-foot area. If market demand indicates a requirement for greater capacity, we'd like to know that before rolling out the program throughout the entire U.S., which we plan to do within the next six to nine months."

The remanufactured carriers cover five of the company's axle models: R-170 single rear axle and SQHD, SQ-100, SQHP and SSHD tandems. They will be produced and shipped from the company's Service Parts Distribution Center in Florence, Ky.

• Banfield said the company's entry into the axle-remanufacturing business is in response "to what we see as a growing demand from the truck aftermarket for more durable, quality made components.

"I want to emphasize that we are entering the remanufacturing and not the rebuilding business," said Banfield. "Let me cite just one example of the critical difference between the two. Under our program, all individual carrier parts will be gauged for dimensional integ-

Continued on Page 20, Col. 5

Truck calendar

Aug. 7-12—30th annual Midwest RV Show, Notre Dame University campus, South Bend.

Sept. 30-Oct. 3 — TRUCK '84, American Trucking Assns. convention and exposition, Las Vegas Hilton/Las Vegas Convention Center, Las Vegas.

Sept. 30-Oct. 3 — 37th Annual Convention & Exposition, Truck Body & Equipment Assn., MGM Grand Hotel & Convention Center, Las Vegas.

Oct. 13-18 — Recreation Vehicle Dealers Assn., annual convention, Sheraton World, Orlando, Fla.

Oct. 31-Nov. 11—32nd Annual RV & Manufactured-housing Show, Dodger Stadium, Los Angeles.

Nov. 27-30 — 22nd annual show, Recreation Vehicle Industry Assn., Kentucky Fair & Exposition Center, Louisville.

Dec. 3-6—SAE annual truck and bus meeting, Hyatt Regency Hotel, Dearborn.

1985

Feb. 14-17 — Seventh Annual Convention, Truck Renting & Leasing Assn., The Registry, Scottsdale, Ariz.

April 13-16 — 22nd Annual Convention & Exposition, NADA American Truck Dealers Division, Sheraton Washington, Washington, D.C.

ATA names Donohue executive VP and CEO

WASHINGTON. — Thomas J. Donohue has been named executive vice president and chief executive officer of American Trucking Assns., and as chosen to succeed [illegible]ett C. Whitlock Jr. as ATA president by the organization's Finance and Administrative Committee.

Currently group vice president-development and a member of the executive office of the U.S. Chamber of Commerce, Donohue, 45, will join ATA in mid-July.

truck industry news

First-half and June totals trail only record '78

Truck sales hit 2nd-best

Retail sales of new trucks of all types in the U.S. in June and the first half of 1984 were the second-highest in industry history, with sharp increases in all three market segments.

Six-month sales, according to preliminary factory and distributor reports, totaled 2,094,336 units, an increase of 40.2 percent over last year's 1,493,561.

The first-half count was 0.9 percent under the record 2,113,208 vehicles retailed by franchised dealers and factory outlets in the January-June period in 1978.

In June, 363,449 trucks were sold, up 20.5 percent from the year-earlier 301,664 units. The total for the month was 11.6 percent under the alltime June high of 411,267 sales recorded in 1978.

Retail outlets moved a record 1,964,240 light trucks in the first half, an increase of 39.7 percent over last year's 1,405,838 units. The total was 1.8 percent higher than the 1,929,045 retailed in 1978, the previous high for the period.

• Medium-truck sales through June were up 17.9 percent to 26,912 units, compared with 22,-

Table on Page 49.

818 a year ago. The total was far below the 82,449 mediums retailed in the like period in 1978, and is due to a sharp drop in Class 6 deliveries.

Heavies were 59 percent higher than a year ago in the first six months, 107,184 versus 64,905. Sales were up 1.4 percent from the 101,714 units retailed in 1978.

During the month, 338,337 light trucks were retailed, an increase of 18.4 percent over the year-earlier 285,811 units. Mediums totaled 4,517, up 2.3 percent from last year's 4,414, and the heavies were 80 percent higher, from 11,439 units a year ago to 20,595.

Compact trucks accounted for 44.1 percent of the six-month light-truck sales. Dealers retailed 866,195 units, a gain of 69.1 percent over last year's 512,290.

June sales of the small trucks totaled 151,909, up 38.4 percent from the year-ago 109,744 units. They represented 44.9 percent of the month's light-truck count.

Six-month sales of compact trucks built in the U.S. were up 86.4 percent to 603,778 units, compared with 323,896 a year ago. Japanese imports totaled 262,417, a gain of 39.3 percent over last year's 188,394 units.

During the month, dealers sold 104,345 of the domestic small trucks, 45.3 percent higher than the year-earlier 71,817. The imports were up 25.4 per-

Continued on Page 49, Col. 1

Warehouser questions GM's just-in-time plan

General Motors' Truck and Bus Group plans to deliver components to its new Baltimore Astro/USV minivan plant on a just-in-time basis, but a Detroit area entrepreneur, Raymond J. Dallas, claims GM will need his short-term warehouse if it is to be successful.

Dallas, chairman and chief executive of Just-In-Time Warehousing, Warren, Mich., said GM will never be able to schedule the massive movement of materials into its plant on a just-in-time basis without some sort of warehousing to act as a buffer for delays in supply and scheduling conflicts.

Trucks, he said, will be lined up for miles outside the plant.

Just-In-Time Warehousing has acquired a 200,000-square-foot warehouse adjacent to the Baltimore GM plant. The warehouse is the first automotive-related venture for Dallas, a developer of shopping malls in Ohio, Michigan and Illinois since 1955.

Dallas said he never talked to the top echelon at GM, but that some GM officials strongly suggested he start his venture.

"The people I talked to (at GM) said this is the way to go," he explained. "Get set up to do just-in-time in Baltimore. I should have gone to the top echelon, but I was anxious and jumped in with both feet."

GM said it neither encouraged nor endorsed Dallas' plan.

• Under Dallas' plan, suppliers could lease enough space to supply the van plant for up to four days. The warehousing company would unload trucks, provide computerized inventory control so that the supplier would know when to restock the warehouse, and deliver parts to the GM plant, as needed, probably in a straight truck with a large box.

In addition to acting as a buffer for shipments, Dallas said his nonunion warehouse will be able to unload trucks and store materials for less money than GM could.

"They have the union, overhead," he said. "There's no way they can compete. If they don't have a place to warehouse a part (in case the part isn't de-

Continued on Page 48, Col. 3

Lighter weight for more payload

FLX, Inc., Evergreen, Ala., has introduced the FLX-MASTER, a lightweight aluminum body which provides for more payload. The firm said it is the only high cube with an all-aluminum cabover wind deflector that doubles as extra storage.

Prototype trucks placed on hold by Leaseway

CLEVELAND. — Leaseway Transportation Corp. has been testing two prototype retail home-delivery trucks for some nine months, but will not release complete details for another two months or so.

According to Leaseway spokesman, Patrick Gallagher, the prototypes are single-unit vehicles, resembling United Parcel Service or camper-type trucks, but he said virtually all specifications are subject to change.

Charles R. Marcoux, Leaseway president, announced the company had built the prototypes at the SAE truck and bus meeting here last November.

"We weren't satisfied with the productivity we were getting in our operations, and we were looking for something that would help stem the slow decline of the entire home-delivery market," Marcoux told the SAE.

"Unfortunately, we couldn't find a truck maker willing to develop something better."

Leaseway will need a fleet of 400 to 500 home delivery vehicles initially, but has no plans to manufacture the vehicles itself, he said.

Gallagher said Leaseway could alternatively contact a body builder and have the vehicles built just for Leaseway, or could license the design to a truck manufacturer.

Licensing the design would be the less expensive route, Gallagher said, but would eliminate the edge Leaseway would have with an exclusive efficient vehicle.

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IMPORT REGISTRATION SHARES IN U. S.

	APRIL					4 MONTHS				
	Regis., April, 1984	Percent Share of Market	Regis., April, 1983	Percent Share of Market	Pct. Pt. Change '84 vs. '83	Regis., 4 mos., 1984	Percent Share of Market	Regis., 4 mos., 1983	Percent Share of Market	Pct. Pt. Change '84 vs. '83
Honda	40,355	21.52	29,188	14.83	+ 6.69	154,679	19.94	117,019	15.51	+ 4.43
Nissan	34,009	18.13	43,870	22.29	− 4.16	144,906	18.68	169,198	22.42	− 3.74
Toyota	30,340	16.18	42,702	21.70	− 5.52	142,688	18.40	165,183	21.89	− 3.49
VW	13,732	7.32	11,018	5.60	+ 1.72	53,030	6.84	44,221	5.86	+ 0.98
Mazda	12,552	6.69	15,490	7.87	− 1.18	49,790	6.42	55,885	7.41	− 0.99
Subaru	10,042	5.35	11,873	6.03	− 0.68	45,475	5.86	45,847	6.08	− 0.22
Volvo	9,088	4.85	7,864	4.00	+ 0.85	33,596	4.33	27,368	3.63	+ 0.70
Mercedes	6,655	3.55	5,837	2.97	+ 0.58	26,853	3.46	22,011	2.92	+ 0.54
BMW	6,049	3.22	3,835	1.95	+ 1.27	21,835	2.82	17,614	2.33	+ 0.49
Audi	5,834	3.11	3,215	1.63	+ 1.48	21,355	2.75	12,414	1.64	+ 1.11
Others	18,898	10.08	21,897	11.13	− 1.05	81,477	10.50	77,809	10.31	+ 0.19
TOTAL	187,554		196,789			775,684		754,569		
Share of U. S. Total		22.42		27.02	− 4.60		24.23		28.23	− 4.60

1984 New York and Oklahoma figures from manufacturers' sales records. Oklahoma, 1983, not available. Figures for District of Columbia delayed.

April penetration falls to 22.42 pct.

Import registration share declines

By Jenny L. King
Staff Writer

New import-car registrations in April dropped to their most shallow market penetration this calendar year as the domestic side of the market continued strong growth and restrictions on Japanese imports did as they were intended.

Imports claimed 22.42 percent of the April new-car registration total, down from 27.02 percent a year earlier and down from 23.80 percent the preceding month, according to figures from R. L. Polk & Co.

Registrations totaled 187,554 for the month, down 4.69 percent from 196,789 a year ago.

Honda catapulted from third into first place among the imports in April, claiming 21.52 percent of the import market, a gain of 6.69 percentage points. The Honda figure of 40,355 registrations includes both imported and Ohio-built cars. The year-earlier total for the company was 29,188 in April.

Nissan slipped to second place, losing 4.16 percentage points year to year, and Toyota dropped into third as it gave up 5.52 percentage points.

Mazda and Subaru likewise lost ground among the top imports as the German and Swedish makes gained. Volkswagen was up 1.72 percentage points; Volvo gained 0.85 percentage point; Mercedes was up 0.58 percentage point; BMW was up 1.27 percentage points and Audi gained 1.48 percentage points.

Ten makes claimed 89.92 percent of the import market in April, up 1.05 percentage points from 88.87 percent in 1983.

Four-month import registrations were up 2.80 percent over the same period in 1983, edging to 775,684 from 754,569. Penetration, however, skidded to 24.23 percent from 28.23 percent.

Honda again was on top among the imports, earning 19.94 percent of the import market, up 4.43 percentage points from 15.51 percent. Toyota held second place, dropping 3.74 percentage points, and Nissan was third, down 3.49 percentage points.

Mazda was off 0.99 percentage point for the four months and Subaru lost 0.22 percentage point. VW, Volvo, Mercedes, BMW and Audi all were ahead of 1984 levels.

The top 10 imports had 89.50 percent of the import market, down slightly from 89.69 percent.

By country of origin, Japan tumbled to 67.78 percent from 77.25 percent of the import total, comparing April of this year

Continued on Page 34, Col. 3

Toyota promotes Maling in Chicago region

TORRANCE, Calif. — Robert C. Maling has been named assistant general manager for the Chicago region of Toyota Motor Sales, USA, Inc.

Maling has been with Toyota since 1981 and has been field operations manager of the Chicago region since August, 1983. The region serves 98 dealers in Minnesota, Illinois, Wisconsin, Indiana and the upper peninsula of Michigan.

Ex-dealer charged with $98,800 theft

QUAKERTOWN, Pa. — Bucks County Deputy District Attorney C. Theodore Fritsch has charged Alfred J. Genner, owner of defunct Quakertown Dodge, Inc., here, with several counts of theft involving $98,800 allegedly collected from customers and not properly disposed of.

Fritsch said Genner accepted $44,600 from car buyers during a six-month period that was supposed to go for sales taxes and registration fees and $54,200 to pay off outstanding loans on tradein cars or for warranty and service contracts. Fritsch charged that the money was pocketed instead.

TOP CARS

U. S. registrations for four months, 1984 vs. 1983. Numbers for New York State and Oklahoma, 1984, compiled from sales records; Oklahoma, 1983, not available, current Utah delayed.

1984 Position		Make	1983	Position
1—	505,661	Chevrolet	369,184—	1
2—	410,758	Ford	293,582—	2
3—	357,878	Oldsmobile	280,512—	3
4—	281,963	Buick	235,631—	4
5—	215,897	Pontiac	140,815—	7
6—	161,417	Mercury	108,551—	9
7—	154,679	Honda	117,019—	8
8—	144,906	Toyota	169,198—	5
9—	142,688	Nissan	165,183—	6
10—	110,739	Dodge	92,921—	10
11—	96,097	Cadillac	85,691—	11
12—	93,069	Chrysler	75,569—	13
13—	90,426	Plymouth	84,020—	12
14—	60,819	AMC	66,026—	14
15—	53,030	Volkswagen	44,221—	17
16—	49,790	Mazda	55,885—	15
17—	45,475	Subaru	45,847—	16
18—	41,100	Lincoln	29,904—	18
19—	33,596	Volvo	27,368—	19
20—	26,853	Mercedes	22,011—	20
21—	21,835	BMW	17,614—	21
22—	21,355	Audi	12,414—	22
	81,477	Other Impts.	77,809	
	78	Misc. Dom.	302	
	3,201,586	TOTAL	2,617,277	

Automotive News analysis of new-car registrations based on R. L. Polk & Co. statistical report.
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MARKET SHARES

4 MONTHS
1984 VS. 1983

Make	1984 Market Share	1983 Market Share	Pct. Pt. Change '84 vs. '83
Chevrolet	15.79	14.11	+1.68
Ford	12.83	11.22	+1.61
Oldsmobile	11.18	10.72	+0.46
Buick	8.81	9.00	−0.19
Pontiac	6.74	5.38	+1.36
Mercury	5.04	4.15	+0.89
Honda	4.83	4.47	+0.36
Toyota	4.53	6.46	−1.93
Nissan	4.46	6.31	−1.85
Dodge	3.46	3.55	−0.09
Cadillac	3.00	3.27	−0.27
Chrysler	2.91	2.89	+0.02
Plymouth	2.82	3.21	−0.39
AMC	1.90	2.52	−0.62
VW	1.66	1.69	−0.03
Mazda	1.56	2.14	−0.58
Subaru	1.42	1.75	−0.33
Lincoln	1.29	1.14	+0.15
Volvo	1.05	1.05	.....
Mercedes	0.84	0.84	.....
BMW	0.68	0.68	.....
Audi	0.67	0.47	+0.20
Other Imports	2.53	2.97	−0.44
Misc. Dom.	0.00	0.01	−0.01
TOTAL	3,201,586	2,617,277	

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April penetration falls to 22.42 pct.

Registrations show import share dip

Continued from Page 30

with 1983. West German cars increased to 14.81 percent from 10.19 percent. The U. S.-built cars of foreign-based Volkswagen and Honda went to 8.57 percent from 4.18 percent. Sweden was up to 6.46 percent from 5.21 percent in 1983. Following is a breakout of numbers of cars for the month of April:

	April, 1984	April, 1983
Japan	127,122	152,026
West Germany	27,770	20,057
United States	16,069	8,223
Sweden	12,115	10,252
France	2,457	3,871
Great Britain	1,439	1,325
Italy	555	996
Ireland	27	39
TOTAL	187,554	196,789

For the first four months, Japanese penetration dropped to 70.61 percent from 78.18 percent a year earlier. German cars accounted for 13.57 percent, up from 10.55 percent. Numbers by country of origin were:

	4 Mos., 1984	4 mos., 1983
Japan	547,994	589,894
West Germany	105,260	79,585
United States	60,279	28,637
Sweden	44,457	35,211
France	10,259	13,515
Great Britain	5,649	4,324
Italy	1,664	3,223
Ireland	122	180
TOTAL	775,684	754,569

Registrations of new imported small trucks were up 60.44 percent April to April. In April, 1984, a total of 58,843 trucks were recorded compared with 36,677 a year earlier. Numbers for the major makers were:

	April, 1984	April, 1983
Toyota	21,630	12,930
Nissan	17,213	9,893
Mazda	9,899	5,932
Dodge Ram 50	3,268	2,019
Others	6,833	5,903
TOTAL	58,843	36,677

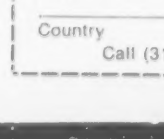
Imported truck registrations were up 59.1 percent the first four months of this year, soaring to 222,073 from 139,048. The totals included:

	1984 4 Mos.	1983 4 mos.
Toyota	81,444	46,138
Nissan	65,488	35,204
Mazda	37,793	19,607
Dodge Ram 50	12,338	8,254
Others	25,010	29,845
TOTAL	222,073	139,048

Runyon, Dauch, Tanenbaum to address World Congress

The international vehicle industry is gearing up for Automotive News Week, Aug. 26-30, which features the ninth annual Automotive News World Congress and the third annual Automotive News World Expo.

World Congress, a four-day automotive seminar, will be held at Detroit's Westin Hotel. Attendees will hear presentations by 34 top-level officials from the auto industry and related fields.



Marvin Runyon

Among those 34 are: Marvin Runyon, president, Nissan Motor Mfg. Corp., U.S.A.; Richard Dauch, executive vice president, Chrysler Corp. Stamping, Assembly and Diversified Operations Group, and Morris Tanenbaum, chairman, AT&T Communications.

Runyon will speak about Nissan's plans for passenger-car production in Smyrna, Tenn. Dauch will discuss Chrysler's new H-car. Tanenbaum's topic is the future of communication and its impact on industry.

World Expo, a three-day buy/sell trade fair, will bring leading auto and truck manufacturers and hundreds of suppliers and distributors to Cobo Hall, which is near the Westin Hotel.

Companies which exhibit at World Expo will show and sell automotive materials, machinery, design concepts and services.

Exhibitors should bring to the show purchasing personnel as well as members of the sales staff, as World Expo affords opportunities for both buying and selling, said Tony Merpi, managing director.

"World Expo is an international marketplace in which participants perform their job function — be it buying or selling," Merpi said.

Registration fee for World Congress attendees is $490, the same as last year. The fee includes: Access to 34 sessions; early morning coffee and rolls; two luncheons, three dinners, including a Tuesday Gala; a detailed workbook; hosted cocktail receptions, and entry to the World Expo.

If a registrant's plans change, the name of another individual may be substituted at any time prior to the opening. Full cancellation will be charged $100.

For further information on both events, mail in the accompanying coupon or contact Automotive News Week: Telephone — (313) 567-9520; cable-address — TWX 810-221-5122 AUTNEW.

Richard Dauch

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Austin Rover teams up with Honda

Built in UK, Rover 200 uses Honda's 1.3-liter engine

To most people this car is a four-door Honda Civic sedan. To people in Britain, the rest of the European Economic Community and Spain it is a Rover 200.

Under the terms of Austin Rover Group's increasing cooperation with Honda, the Japanese company will sell the Civic only in certain European countries (Scandinavia, Austria and Switzerland) leaving the British group to cover the rest with its locally assembled Rover.

The Rover 200 is now on sale in the UK. It will be launched in export markets in the spring of next year, as Austin Rover will be busy this fall with introductions of the new Montego sedan in the rest of Europe.

The Rover is a replacement for the Triumph Acclaim, a British assembled Honda Ballade which was introduced in October 1981. As such, the arrival of Rover spells the end of Triumph as a brand name.

Acclaim sold reasonably well, approximately 101,000 in the UK since its introduction. Austin Rover put 10,000 into France, 6,600 into Italy and about 4,500 into the Benelux countries. It was made at a rate of approximately 60,000 a year, but Rover annual volumes of 72,000 are spoken of, with capacity for 96,000.

At first glance the Rover seems to conflict with the Montego. Certainly the styling similarities are apparent, given that the Honda's basic structure was fixed. ARG has grafted on its own frontal treatment, its own rear lights and interior treatment. Local content, put at 70 percent, will rise to 80 percent by the end of this year when the fascias will be sourced from the UK and a locally made engine will be offered.

At present the major mechanical components, including Honda's own 1.3-liter, 12-valve engine, are lifted out of Japanese crates. They are put together at Longbridge, Birmingham, using panels pressed by Pressed Steel Fisher. The engine option on its way is ARG's own 1.6 liter S-type.

The complication arising is that in the 1.3 the Honda engine is mounted transversely at the front with the gearbox on the right. With the 1.6 engine, location is the same but the gearbox is on the left.

Side by side, however, the differences between Rover and Montego are apparent. The Montego's length is 176 inches and wheelbase is 101 inches, compared with Rover's 163.5 inches and 96.5 inches respectively. Montego is heavier too — 2,100 to 2,300 pounds compared with 1,900 to 1,950 pounds for the Japanese-bound car.

There is a different marketing emphasis as well. While Montego is pitched against the Ford Sierra and GM's Vauxhall Cavalier (Opel Ascona) in the mass market, the Rover is seen as a little more exclusive.

Its targets are the Ford Orion sedan, VW Jetta, Volvo 300-series (a notably good seller in the UK) and even the lower rung BMW 3-series.

ARG's product lines are now as modern as they have been for years — possibly ever. The weakest link is the aging Rover sedan series, but a replacement for that — the joint Honda executive model — will be unveiled in little more than a year.

According to Mark Snowdon, managing director, commercial, "Project XX is unquestionably the most radical collaborative project undertaken by any two international motor manufacturers.

"It gives Austin Rover a manufacturing base in the Far East and allows us to act as the manufacturing center supplying both the Austin Rover and Honda XX derivatives throughout Europe. Austin Rover may well use XX to re-enter the North American market," comments Snowdon with more than an element of caution.

Exporting cars to the U.S. is a crucial element in ARG's drive to lift annual volumes from around 500,000 to 750,000. With fierce Ford and GM rivalry in the UK, the only course to lift volumes in any major way will be through exporting, at which ARG has been bad, is getting better, but still has a long way to go.

But, predicts Snowdon, "XX promises to be one of the most strikingly beautiful cars available for sale anywhere in the world, and also among the most technically advanced."

He also adds "I will not pretend that the process (collaboration with Honda) has been easy or that we have never disagreed. But our developing regard for each other's abilities has always allowed us to overcome any problems.

"We are often asked if we and Honda are planning further projects beyond XX . . . we will move forward one step at a time.

"At present there are no plans for any further collaborative arrangements. It is an option— an option of which we are both aware." That is all he will say.

However, it would be a surprise to outside observers if the collaboration did not continue to other projects, whatever the rumors of disagreements between the two companies. It would certainly allow ARG to move that extra 50 percent toward the 750,000 capacity at Cowley and Longbridge — by building European-destined Hondas in the UK.

Such a move would also allow the Japanese company to overcome the trade barriers which exist in so many large markets.

Indeed, it is hard to escape the notion that ARG's future is closely tied to that of Honda. At present there are no mutual stock holdings or financial links through third party companies. The ties to be strengthened with XX are in design, assembly and distribution.

Given the UK government's desire to shed its state-owned assets, some type of financial link with Honda looks a favorite solution. Austin Rover made a pre-tax profit last year of just under $3 million — not much, but significant because it was the first profit for longer than anyone can remember.

ARG is not saleable like Jaguar, does not have the potential like Land Rover, or is not a hopeless case like Leyland. It is a marginal business which the government does not want, in which no other manufacturer has shown an interest and which has some solid foundations with Honda.

If closer dealings with ARG are of interest to Honda, they must really excite Austin Rover.

Now sold in the UK, the Rover 213 Vanden Plas will be launched in export markets next spring.

The Austin Rover 213 SE utilizes Honda's 1.3-liter engine.

Looking for truck revival

Advances posted in West Germany and UK

A more general revival in demand for medium and heavy trucks is expected in the short term in western Europe. The advances made last year in West Germany and the UK will spread to other countries as they emerge from economic recession, predicts DRI Europe in its latest forecast for the European truck industry.

The non-European export environment will remain difficult in the short and medium term, says DRI. It will result in continued pressure on European truck producers to bring capacity more into line with deliveries.

Looking further ahead, market volumes for medium and heavy trucks are expected to remain below levels achieved at the turn of the decade. Predicted economic growth rates will not be favorable to net expansion of truck markets compared with before the recession.

At the same time the prospect of a slow revival in the medium truck demand in key non-European markets is clouded by signs of an increasing tempo in the pace of local integration in a number of such countries. The longer term outlook for exports of built-up units is correspondingly less cheerful.

DRI notes fierce price wars raging in a number of European markets. These will continue, as each producer seeks to improve plant loadings after the sharp declines of recent years. For second rank volume producers, faced with the financial and marketing muscle of the largest companies, a medium term solution lies in joint ventures for major components.

It mentions the recent deal between Holland's Daf and Spain's Enasa over joint development and production of a new cab. This and other joint ventures will heighten industry-wide competition in the mid and late '80s.

But, warns DRI, it will leave unanswered the question of adjusting capacity levels in the industry to new market conditions. More plant closures seem likely in the future, as financial losses force producers toward a reassessment of the extent of their involvement in the truck industry.

EUROPEAN PRODUCTION

(medium/heavy trucks in thousands)

Country	1980	1983	1984	1985	1990
West Germany	180.9	146.9	139.6	151.6	184.0
France	61.4	39.8	41.8	44.2	51.9
United Kingdom	104.0	53.8	58.2	63.0	67.0
Italy	42.2	42.3	41.0	42.9	47.1
Spain	22.6	20.5	21.9	22.3	25.3
Sweden	55.1	47.0	49.5	52.1	60.3
Netherlands	15.9	10.6	12.3	12.9	14.9
TOTAL	482.1	360.9	364.3	389.1	450.6
EUROPEAN DEMAND					
West Germany	78.5	59.7	61.7	65.3	75.6
France	43.7	41.3	38.6	40.6	45.1
United Kingdom	61.3	50.0	56.4	61.1	61.1
Italy	28.8	23.0	25.8	27.6	28.7
Spain	19.0	15.8	17.2	19.0	22.0
Sweden	7.5	5.5	6.2	6.7	7.0
Netherlands	13.8	8.9	10.1	10.8	12.1
Belgium	9.2	7.0	7.7	8.2	9.4
TOTAL	261.7	211.1	223.6	239.4	261.0

Source: DRI Europe

Truck output shrinks

Leyland plans to close Bathgate plant

Leyland is not alone in suffering from the dramatic downturn in demand around the world for trucks. Even so, its shrinkage from the late 1970s makes depressing reading.

The workforce is down from 28,000 to 15,000. Based now around Bathgate, Scotland, and the town in northwest England which gave its name to the company, Leyland last year produced less than 13,000 units. It has a capacity to do more than 40,000 a year.

Several smaller plants have been closed, and now Bathgate itself will close over the next two years. With it goes a proposed diesel engine manufacturing plan with Cummins and Family One.

Last year there was yet another deficit; this one in the region of $100 million. The fact that practically every other truck maker in Europe was suffering too, merely underlines the bleak future that faces Leyland.

It increased its share of the UK market last year, but at 15 percent it was half the level it was a decade earlier. Export markets have collapsed, notably in the Middle East (Iran) and Africa (Nigeria).

Leyland is now broadly similar in volumes to Daf of Holland and Enasa in Spain—both companies which acknowledge the need for closer collaboration to share costs. But even moves in this direction do not eliminate the fact that there is too much truck making capacity in Europe—a continent which does not even face real competition from Japan's heavy truck makers, at least on their home markets.

Ron Hancock, Leyland's chairman, cannot even foresee profits before 1987. With other makers battling with similar, if less severe, problems, it is little wonder that there is serious concern for the long term survival of the enterprise.

Whether a Japanese link would prove a politically acceptable answer is as dubious as whether one would be proposed in the first place. Japanese heavy truck makers like Hino, Nissan Diesel and Mitsubishi (Isuzu is tied in with GM's plans) are denied access to most of Europe.

But if any of them wanted a European entry they could have a choice of weak companies to pick from and thus acquire a sales network or attract handsome regional development grants for a green field site.

The future for Leyland Vehicles does, indeed, look uncertain.

First-half and June trail only 1978 records

Truck sales reach 2nd-best level

Continued from Page 16

cent to 47,564, versus 37,927 a year ago.

The domestic compacts accounted for 67.1 percent of the small-truck market in the first half with 581,266 sales. A year ago, they took 58.8 percent of the six-month total with 301,242 sales.

Six-month sales of the compacts imported from Japan totaled 284,929 units, an increase of 35 percent over the year-earlier 211,048.

The number of unsold trucks in retailers' hands going into July was up sharply from a year ago, with increases in all three market segments.

The total was 699,636 units, up 36.8 percent over the year-ago 511,394. There were 639,692 light trucks on hand, 25.4 percent higher than last year's 510,307. Mediums totaled 15,589, up 30 percent from the year-ago 11,989, and the heavies were 52.4 percent higher, 44,355 versus 29,098.

Big Three dealers retailed 1,629,620 new trucks in the first half, an increase of 33.9 percent over last year's 1,217,219.

Shortages of "hot" units in June caused a slowing of the sales rate. During the month, dealers sold 277,070 vehicles, up 12.1 percent over the year-ago 247,218.

Ford was No. 1 in the January-June period, with a lead of more than 10,000 units over Chevrolet.

Ford reported 599,692 sales in the first half, a gain of 26.1 percent over last year's 475,523 units. In June, dealers retailed 102,871 vehicles, 2.8 percent higher than the year-earlier 100,097.

Chevrolet's six-month sales were up 24.8 percent to 589,540 units, compared with 472,274 in the like period in 1983. June sales were off one percent, from 93,953 units a year ago to 93,061.

Dodge and Chrysler-Plymouth dealers retailed 274,813 trucks in the first half, a little more than double last year's 137,409. The downsized vans—Dodge Caravan, Plymouth Voyager and Dodge Mini Ram Van—accounted for 35.3 percent of the total with 96,971 sales.

June sales were up 82.5 percent from a year ago, 50,881 versus 27,874. The total included 18,930 of the smaller vans, or 37.2 percent of the month's sales.

GMC dealers posted their second-highest June sales total in history, and a six-year peak for the month. They retailed 30,257 units, an increase of 19.6 percent over last year's 25,294 vehicles.

Six-month sales totaled 165,575 units, up 25.4 percent from the year-ago 132,013. There were substantial gains in each weight group for the month and first half, the company reported.

June sales of Jeep four-wheel-drive vehicles hit a new high of 14,272 units, a gain of 98.7 percent over the year-ago 7,184 and 119 units more than the previous record of 14,153 in June, 1978.

Through June, the total was 74,766, up 108.1 percent over last year's 35,924. Dealers retailed 42,342 of the smaller Cherokee and Wagoneer models, which accounted for almost 57 percent of the six-month count.

Only 16 of the discontinued Volkswagen front-drive compact pickups were retailed during the month, compared with 482 last year. The first-half total was 351, versus 3,278 in the like period a year ago.

Record June and first-half sales were reported by all five distributors of compact light trucks imported from Japan.

• During the month, Toyota dealers retailed 21,509 new trucks, an increase of 25.3 percent over last year's 17,160. Through June, the total was up 53.5 percent to 121,814 units, compared with 79,358 a year ago.

June sales of Nissan/Datsun vehicles totaled 20,691 units, an increase of 63.1 percent over last year's 12,684. Dealers retailed 112,186 trucks in the first half, up 84.8 percent from the year-earlier 60,700.

The Nissan/Datsun figures for the month included 9,665 trucks assembled in the U.S., and the six-month total for the domestic units was 58,553 units.

Mazda dealers retailed 8,581 compact pickups during the month, a gain of 65.7 percent over the year-ago 5,178 vehicles. Through June, the total was up 80.6 percent to 60,038, compared with 33,245 in 1983.

During the month, sales of Isuzu trucks were 121 percent higher than a year ago, 4,875 versus 2,206. The six-month count was 19,501, an increase of 75.3 percent over the 11,125 units sold in the like period last year.

Mitsubishi dealers retailed 1,573 units in June, a gain of 125 percent over last year's 699. The first-half total of 7,431 units was 87.4 percent higher than the year-earlier 3,966.

Big Three June, year-to-date sales

	June		year to date	
	1984	1983	1984	1983
Ford				
Vans	14,858	17,633	90,021	83,246
Club Wagon	2,977	3,426	16,943	16,018
Ranger	17,853	21,905	114,336	95,416
Courier				5,657
Bronco	4,277	3,637	23,954	21,830
Bronco II	8,823	6,954	48,453	19,436
Pickups	49,251	43,270	280,618	215,176
Mediums	3,841	2,605	19,916	14,872
Heavies	991	667	5,451	3,872
Chevrolet				
Vans	13,609	14,152	88,840	74,454
Sportsvan	2,424	2,018	13,214	10,071
S-10	15,100	20,698	102,607	96,130
S-10 Blazer	12,152	9,418	70,628	46,235
LUV		241		3,007
El Camino	2,082	2,134	13,424	10,300
Blazer	3,838	2,696	24,917	14,810
Suburban	4,902	4,169	26,965	19,499
Pickups	37,584	36,689	240,306	190,377
Mediums	1,370	1,738	8,639	7,391
Chrysler				
Vans	7,150	8,193	39,335	37,995
Ram Wagon	4,083	4,423	23,931	19,656
Voyager	8,108	.....	43,625	.....
Caravan	8,165	.....	45,454	.....
Mini Ram Van	2,657	.....	7,892	.....
Ram 50	4,671	3,099	22,512	13,175
Other Plymouth Trucks	.....	1,016	378	5,220
Ramcharger	2,515	1,888	15,163	10,670
Rampage	971	1,373	5,523	6,097
Pickups	12,561	7,882	71,060	44,596
GMC				
Vans	3,989	4,706	25,176	25,113
S-15	4,094	4,768	22,834	21,681
S-15 Jimmy	3,440	2,090	16,988	8,715
Jimmy	773	746	4,657	3,665
Caballero	332	207	1,486	1,040
Suburbans	1,497	1,135	8,402	5,897
Pickups	11,518	9,188	63,489	51,193
P Models	566	464	2,664	1,859
Mediums	2,638	1,515	12,936	9,263
Heavies	1,410	475	6,943	3,587

Cincinnati Olds dealers donate $1,000 to campaign

CINCINNATI. — The Reliable Men of Olds (RMO) here presented a $1,000 check to the greater Cincinnati Chamber of Commerce Blue Chip Campaign for Economic Development.

In keeping with the Blue Chip Campaign theme, the dealer group plans to change its name to the RMO Blue Chip Dealers. The group is composed of seven Oldsmobile dealers in the area.

Group members are: Stanley Grueninger, Stanley B. Grueninger Oldsmobile-GMC Trucks, Woodlawn, O.; Robert Marlowe, Frazier - Williams Oldsmobile - Chevrolet, Milford, O.; R. B. Pulte, Bob Pulte Oldsmobile, Dent, O.; Mike Dever, Heritage Oldsmobile - Cadillac, Fairfield, O., and R. J. Fischer, Simon & Fischer, Newport, Ky.

Rounding out the group are: R. A. Behler, Behler Oldsmobile, Cincinnati, and John Robke, Rockcastle Oldsmobile-Cadillac, Florence, Ky.

The Blue Chip Campaign is a five-year economic development drive to generate business growth in the eight-county Cincinnati area.

The campaign is aimed at strengthening local business, generating new business within the region and encouraging outside businesses to relocate and invest in Cincinnati.

The campaign emphasizes strong cooperation between the public and private sectors as a major opportunity for growth.

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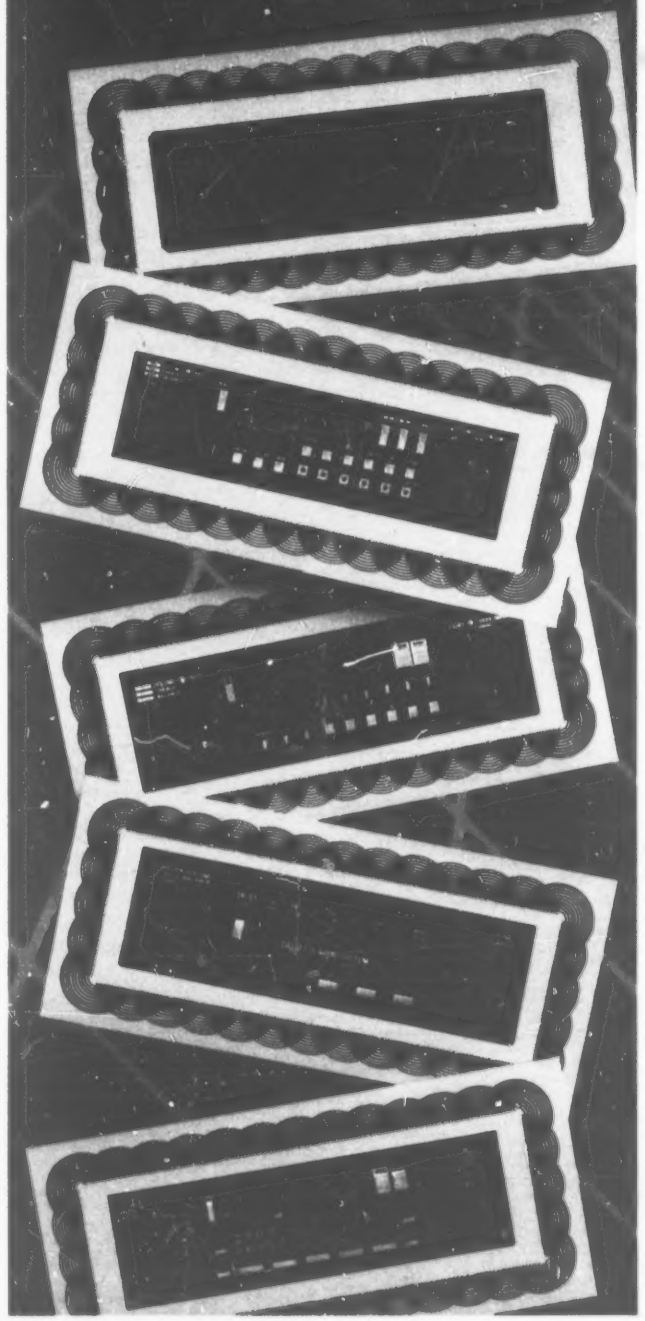

factories list auction dates

American Motors

July 17—Aptco Auto Auction, Taylor, Mich.

July 18 — Kansas City Auto Auction, Kansas City, Mo.; Metro Milwaukee Auto Auction, Caledonia, Wis.; Southern Auto Auction, Warehouse Point, Conn.

July 19 — Evansville Auto Auction, Evansville, Ind., and Minneapolis Northstar Auto Auction, Shakopee, Minn.

July 20 — Floyd Hauhe Auto Auction, Bridgeton, Mo., and Concord A. A., Acton, Mass.

July 24 — D-A Auto Auction, New Stanton, Pa., and High Point Auto Auction, High Point, N. C.

July 25—Columbus Fair Auto Auction, Obetz, O.; Metro Milwaukee Auto Auction, Caledonia, Wis., and Central States Auto Auction, Mason City, Ia.

July 26 — Evansville Auto Auction, Evansville, Ind.; Corry Auto Auction, Corry, Pa.; Minneapolis Northstar Auto Auction, Shakopee, Minn., and Todd Auto Auction, Telford, Pa.

July 31—Aptco Auto Auction, Taylor, Mich.

Ford Motor Co.

July 17 — Harrisonburg Auto Auction, Harrisonburg, Va.

July 18—Northway Exchange, Clifton Park, N. Y.

July 19—Arena Auto Auction, Chicago, Ill.; 166 Auto Auction, Springfield, Mo.; South Seattle Auto Auction, Kent, Wash., and Dallas Auto Auction, Grand Prairie, Tex.

July 25 — Southwest Auto Auction, Phoenix, Ariz., and Golden Gate Auto Auction, Fremont, Calif.

July 26 — Skyline Auto Exchange, Inc., Fairfield, N. J., and Aptco Auto Auction, Taylor, Mich.

August 1—Concord Auto Auction, Acton, Mass., and Minneapolis Northstar Auto Auction, Shakopee, Minn.

August 2 — Nashville Auto Auction, Nashville, Tenn.

General Motors

July 17—Southern Auto Auction, East Windsor, Conn., and Florida Auto Auction of Orlando, Ocoee, Fla.

July 18—Metro Auto Auction of Kansas City, Lee's Summit, Mo., and Golden Gate Auto Auction, Fremont, Calif.

July 19—Indianapolis Auto Auction, Indianapolis, Ind.

July 25—Clanton's Auto Auction, Inc., Darlington, S. C.

July 26—Butler Auto Auction, Gibsonia, Pa., and Arena Auto Auction, Chicago, Ill.

July 26—Dallas Auto Auction, Grand Prairie, Tex.

July 31—South Seattle Auto Auction, Kent, Wash.

Garnet Ford opens

Garnet Ford, Inc., Media, Pa., has opened. Bruce Hendrixson, seated, left, dealership president, and Bob Twining, seated right, vice president, sign the sales agreement while J. C. Collins Jr., dealer operations manager for Ford Division's Philadelphia district sales office, looks on.

Auction directory

INDIANA

Sale Every Thursday
DEALER TRADE-IN LINE
10:30 A.M. sharp
REGULAR SALE
12 P.M. sharp
INDIANAPOLIS AUTO AUCTION, INC.
4040 Office Plaza Blvd., Indianapolis, IN 46254
1-317-298-9700

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LOUISIANA

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MINNESOTA

WEDNESDAYS 12:30
SALE DAY
July 18—Chrysler Factory Sale, 12 Noon—Trucks, 25 Minnegasco units
July 25—Giant Pure Sale, '83 & '84 Ford Daily Rentals, Corn Roast
July 26—America's largest fleet & lease sale at 5 P.M.
Minneapolis Auto Auction
1125 Nathan Lane North
Minneapolis, MN 55441
612/546-2403

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Floyd Hauhe Auto Auction & Recon Ctr.—Fleet & Lease car spec. — Nationwide pickup. 314-739-1300. 12000 St. Charles Rd., Bridgeton, St. Louis, MO 63044.

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Wednesday Auto Auction. Exit 49 on I-270, Columbus, Ohio. Every Wednesday. Call: Area 614-497-2000.

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WASHINGTON

So. Seattle Auto Auction. The Lease & Fleet Specialists. Bob McConkey, Jr., 1-800-872-6800. P.O. Box 5189, Kent, WA 98064.

INDIANA

Evansville Auto Auction & Recon Center—Fleet & Lease car specialist—Nationwide pickup. 812-425-4576. P.O. Box 2409, Evansville, Indiana 47714.

Used Car Sales

Auction Averages

July to date	$4,857
Month ago	$5,697
Year ago	$5,101

Model breakdown

Auction Averages

	JULY	JUNE	MAY
1984	$10,093	$10,601	$11,393
1983	7,043	8,284	9,040
1982	5,539	6,185	6,165
1981	5,241	5,091	5,193
1980	4,455	4,358	4,345
1979	3,690	3,963	3,671
1978	2,941	2,432	2,431
1977	2,140	1,830	1,893
Overall Average	$ 4,857	$ 5,436	$ 5,372

Saab profits rise 80 percent; U.S. sales help

LINKOPING, Sweden.—Saab-Scania AB, the Swedish automotive and aerospace manufacturer, reported profits of $112 million for the first four months of 1984, an increase of almost 80 percent over the same period last year.

The group's consolidated sales of passenger cars, heavy-duty trucks and buses, commuter aircraft and military jets also increased 26 percent during the period. Sales outside of Sweden increased 34 percent and are now responsible for 61 percent of the manufacturer's total sales.

Sales of the Saab Car Division rose 30 percent, with sales in the U. S. up 44 percent so far this year. The U.S. is now Saab's largest individual market.

Income for the Scania Division, builder of trucks and buses, also was considerably higher than last year, owing to a greater international demand that led to a 30 percent growth in order bookings.

The Saab-Scania board of directors said it expects a continuing increase in sales and earnings for the rest of the year, though the percentage increase will be lower than for the first four months.

Reynolds chief sees jump in aluminum use in cars

NEW YORK. — An aluminum industry executive predicted a 50-percent increase in the use of aluminum in American cars by the end of this decade.

Speaking to a meeting of the International Motor Press Assn. here, William O. Bourke, president of Reynolds Metals Co., predicted that by 1990, the average U. S. car will contain at least 200 pounds of aluminum.

About 70 percent will go into cast products and the balance into wrought components, he predicted.

In 1973, there were about 80 pounds of aluminum in the typical American car, but that has risen to 137 pounds in this model year.

"Today the average car has dropped about 1,000 pounds, and aluminum makes up nearly 5 percent of the much lighter car," he said.

"Since down-sizing has gone about as far as it can go, the auto industry's desire for further improvements in performance and fuel economy will foster a greater use of lighter-weight materials," Bourke said.

The biggest weight savings will come in the form of wider use of aumnum engine blocks, cylinder heads, wheels, structural parts and radiators, he said.

Using 200 pounds of aluminum in an auto would save the average driver an estimated 400 gallons of gasoline, or about $500 in fuel costs at today's prices, over the life of the car, according to Bourke.

He cited the 1984 Corvette, which contains more than 400 pounds of aluminum and several uncommon aluminum parts, including upper and lower control arms, suspension parts, frame members and aluminum prop and drive shafts.

"If all the aluminum components now in use were put on one car, the weight savings would be about 750 pounds and MPG would increase by 30 percent," Bourke said.

Alfa warranty extended to 3 years or 36,000 miles

ENGLEWOOD CLIFFS, N. J. — Alfa Romeo, Inc., has extended the warranty on its cars to three years/36,000 miles, beginning with cars invoiced on June 1.

Called the Alfa Romeo "Pledge of Protection," the warranty will be worked through General Warranty Corp., Marina del Rey, Calif., a company spokesman said.

Under the warranty system, Alfa's normal 12 months/36,000 miles limited warranty would be in effect upon purchase of the vehicle.

If the owner does not exceed the 36,000 miles in that first year, limited warranty will be extended to 36 months and 36,000 miles.

The waranty covers the major systems of the vehicle, including engine, transmission, cooling, steering and front and rear suspension as well as brakes, electrical and air conditioning.

The Alfa spokesman said there was no extra charge to the customer for this extension. Alfa will establish a toll-free telephone number for customers to call for authorization of extended repairs.

This number is provided in the event the customer must take the vehicle to a repair facility other than an Alfa dealer, though under normal circumstances he would just take the car to the dealer.

Dodge signs Browning

CERRITOS, Calif. — Richard Browning has signed up for a new Dodge dealership in the five-acre Cerritos Auto Mall here.

Total is 123,597 despite Ford vacation and VW changeover

Full work week hikes auto output

By Joe Wilssens
Staff Writer

Domestic auto manufacturers returned to regular work schedules last week following the prior week's July 4 holiday. Weekly production rose as a result, despite a lack of output at Ford Motor Co. and Volkswagen of America.

U. S. makers projected completion of 123,597 cars last week, 30.08 percent greater than the previous week's 95,018 and 16.11 percent better than the year-ago week's 106,448.

So far this year, 4,480,410 autos have been built in the U. S., 27.41 percent above 3,516,432 finished at this time last year.

Of last week's estimated output, General Motors accounted for 74.35 percent, followed by Chrysler Corp., 19.34 percent; American Motors, 3.88 percent, and Honda, 2.43 percent.

Ford auto plants were idle for the second of two scheduled weeks of vacation while VW remained down for model changeover.

Oldsmobile began reporting production of the Calais, its GM-20 car, last week. The company slated assembly of 390 cars last week, up from 135 the previous week and 74 during the first week of production. Buick began releasing totals on its GM20, the Somerset Regal model, two weeks earlier. Pontiac has yet to make public Grand Am output totals.

Six plants scheduled daily or Saturday overtime last week.

GM's Bowling Green (Ky.), Lansing, Lordstown (O.) and Oklahoma City facilities worked Saturday (July 14) overtime.

At Chrysler, Belvidere (Ill.) and St. Louis Plant No. 2 worked two daily 9-hour shifts last week.

Chrysler's Jefferson assembly plant (Detroit) is not scheduled to operate this week due to model changeover. Production at the plant is scheduled to resume the week of July 30. About 3,300 hourly employes will be on temporary layoff during the model changeover.

Restraint decision brings Wide range of reactions

Continued from Page 61

Ford's Helen Petrauskas, vice president, environmental and safety engineering, also praised the push for mandatory belt use but was unsure whether Ford could meet the September, 1986, deadline for installation of passive restraints.

Ford added that it hoped DOT would act quickly on the changes in test procedures backed by Ford.

Chrysler Corp.'s response was quite restrained considering its history of strong opposition to passive restraints. Chairman Lee Iacocca said Chrysler "is going to work for adoption of seat-belt laws" and the company described the new standard as "a costly, complicated and cumbersome attempt at providing passenger protection," but promised to try to make it.

Marvin W. Stucky, vice president, civic and governmental affairs, American Motors, said, "There are major technical obstacles that must be overcome and for that reason a demonstration program to determine the validity of air bags should have been a mandatory step before such a far-reaching decision was promulgated.

"We think an immediate reduction in air-bag requirements should be granted as states adopt mandatory seat-belt laws. When the dust settles, the fact still remains that the seat belts now in all cars are the best safety device — bar none."

• Volkswagen of America said it intends to comply fully with the new standard. It already has on the road Rabbits with passive belts that meet the standard.

Mercedes-Benz of North America — now offering driver-only air bags to supplement its belt system — said it will comply with the standard, whether or not states pass use laws.

Canadian output cut by vacations and changeovers

Canadian manufacturers returned to five-day work schedules last week following the previous week's holiday. Auto and truck production totals, however, remained low as several makers were idle for vacations and model changes.

Shutdowns at American Motors and Ford Motor Co. caused projected auto assembly totals to dip to 13,065 last week, down 2.99 percent from the prior week's 13,467 but 1.84 percent greater than the year-ago week's 12,829.

Year-to-date, 617,271 cars have been assembled in Canada.

Likewise, a production halt at International Harvester and Ford truck facilities kept truck estimates below normal last week. The makers completed 12,317 units, 10.38 percent above the previous week's 11,159 and 54.27 percent better than the year-ago week's 7,984.

So far this year, 458,408 trucks have been built in Canada, a substantial 56.94 percent improvement over 292,089 completed during the 1983 period.

General Motors scheduled Saturday (July 14) overtime at Oshawa (Ont.) plants No. 1 and No. 2.

Truck production climbs back to 34,940 for week

Domestic truck production totals returned to near-normal levels last week following the holiday reduced build of the previous week.

U. S. truck manufacturers projected completion of 34,940 units last week, 30.17 percent greater than the previous week's 26,842 and 23.28 percent above the year-ago week's 28,341.

Jeep, International Harvester and Ford Motor Co. truck facilities were idle last week as the companies took time off for summer vacation. A slightly lower than normal weekly build was the result.

Year-to-date, 1,685,473 trucks have been completed in the U. S., 40.00 percent above 1,203,874 finished at this time last year.

Ford's suburban Hazelwood plant in St. Louis is among the company's vacationing facilities. While idle for two weeks, work proceeded on the conversion of the plant for the new Aerostar van.

"Some 400,000 square feet of building expansion have been completed and the installation of new equipment has begun," said Plant Manager Robert Hurford. Car production will resume on overtime schedules there July 16.

General Motors scheduled overtime at five facilities last week. The company's Detroit P-Plant, Janesville (Wis.), Lordstown (O.) and Pontiac S-truck and plant No. 6 worked extra hours Saturday (July 14).

CANADIAN CAR PRODUCTION

	Week Ended July 14, 1984	Week Ended July 16, 1983	Week Ended July 7, 1984	July to Date	Jan. 1, to July 16, 1983	Jan. 1, to July 14, 1984
AMERICAN MOTORS	.....	.....	.....	.....	15,532	12,250
CHRYSLER CORP.	.....	.....	.....	.....	103,857	.....
FORD MOTOR	.....	275	3,377	3,377	120,633	237,736
GENERAL MOTORS	12,840	12,289	9,934	22,774	313,185	361,352
VOLVO	225	265	156	381	5,895	6,032
Total Cars, Canada	13,065	12,829	13,467	26,532	559,102	617,271

TRUCK PRODUCTION IN U. S.†

	Week Ended July 14, 1984	Week Ended July 16, 1983	Week Ended July 7, 1984	July to Date	Jan. 1, to July 16, 1983	Jan. 1, to July 14, 1984
CHEVROLET	21,311	17,638	16,505	37,816	431,269	545,668
DODGE	3,700	2,735	3,063	6,763	74,284	113,397
FORD	.....	.....	.....	.....	461,762	627,283
GMC	6,779	5,242	4,719	11,498	140,624	177,063
INTERNATIONAL	.....	255	.....	.....	26,282	39,139
VOLKSWAGEN	.....	.....	.....	.....	2,079	.....
JEEP	.....	1,421	.....	.....	39,644	100,209
NISSAN	2,100	.....	1,715	3,815	.....	53,094
AM GENERAL	50*	50*	40*	90*	1,330*	1,420*
MISCELLANEOUS	1,000*	1,000*	800*	1,800*	26,600*	28,200*
Total Trucks, U. S.	34,940	28,341	26,842	61,782	1,203,874	1,685,473

CANADIAN TRUCK PRODUCTION

	Week Ended July 14, 1984	Week Ended July 16, 1983	Week Ended July 7, 1984	July to Date	Jan. 1, to July 16, 1983	Jan. 1, to July 14, 1984
CHRYSLER CORP.	6,277	2,216	6,366	12,643	72,786	201,137
FORD MOTOR	.....	217	.....	.....	74,110	84,442
GENERAL MOTORS	6,040	5,551	4,793	10,833	141,977	168,916
INTERNATIONAL	.....	.....	.....	.....	3,216	3,913
Total Trucks, Canada	12,317	7,984	11,159	23,476	292,089	458,408
N. American Trucks	47,257	36,325	38,001	85,258	1,495,963	2,143,881

†—Now includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.

U. S. CAR PRODUCTION

	Week Ended July 14, 1984	Week Ended July 16, 1983	Week Ended July 7, 1984	July to Date	Jan. 1, to July 16, 1983	Jan. 1, to July 14, 1984
AMERICAN MOTORS	4,800	2,371	3,532	8,332	92,180	104,401
AMC Total	.....	.....	.....	.....	4,071	.....
Eagle	.....	.....	.....	.....	4,071	.....
Renault Total	4,800	2,371	3,532	8,332	88,109	104,401
Alliance	2,750	2,371	1,970	4,720	88,109	56,147
Encore	2,050	.....	1,562	3,612	.....	48,254
CHRYSLER CORP.	23,900	14,915	20,320	44,220	468,078	734,928
Plymouth Total	7,100	5,671	5,993	13,093	167,095	214,608
Horizon	3,200	2,244	2,598	5,798	59,071	88,913
Reliant	3,200	3,372	2,702	5,902	105,091	108,646
Caravelle†	200	1	235	435	2,933	5,350
Gran Fury	500	.....	458	958	.....	11,699
Chrysler Total	8,300	2,579	6,971	15,271	111,868	248,361
LeBaron	2,800	1,135	2,274	5,074	51,365	75,607
Laser	1,200	.....	1,194	2,394	.....	44,650
Chrysler E-Class	2,100	1,444	1,820	3,920	60,503	63,268
Fifth Avenue	2,200	.....	1,683	3,883	.....	64,836
Dodge Total	8,500	6,719	7,356	15,856	189,115	271,959
Omni	2,900	2,627	2,378	5,278	67,575	83,784
Aries	2,300	2,363	2,185	4,485	77,884	85,559
Daytona	900	.....	911	1,811	.....	33,376
Dodge 400	.....	205	.....	.....	18,202	.....
Dodge 600	1,600	1,524	1,254	2,854	25,454	47,918
Diplomat	800	.....	628	1,428	.....	21,322
FORD MOTOR	.....	.....	.....	.....	168,808	926,325
Ford Division	.....	.....	.....	.....	493,415	602,334
Escort	.....	.....	.....	.....	136,944	186,244
Fairmont	.....	.....	.....	.....	23,728	.....
Mustang	.....	.....	.....	.....	63,944	71,347
LTD	.....	.....	.....	.....	92,125	115,676
Thunderbird	.....	.....	.....	.....	106,957	83,421
Crown Victoria	.....	.....	.....	.....	47,798	40,350
EXP	.....	.....	.....	.....	1,184	17,877
Tempo	.....	.....	.....	.....	20,735	87,419
L-M Division	.....	.....	.....	.....	275,393	323,991
Mercury Total	.....	.....	.....	.....	217,078	234,146
Lynx	.....	.....	.....	.....	35,930	35,991
Capri	.....	.....	.....	.....	12,335	9,390
Zephyr	.....	.....	.....	.....	8,601	.....
Marquis	.....	.....	.....	.....	39,476	60,315
Cougar	.....	.....	.....	.....	60,694	55,857
Grand Marquis	.....	.....	.....	.....	53,671	50,266
LN7	.....	.....	.....	.....	290	.....
Topaz	.....	.....	.....	.....	6,081	22,327
Lincoln Total	.....	.....	.....	.....	58,315	89,845
Continental	.....	.....	.....	.....	8,516	19,932
Lincoln	.....	.....	.....	.....	30,406	52,976
Mark VI/VII	.....	.....	.....	.....	19,393	16,937
GENERAL MOTORS	91,897	87,811	71,166	163,063	2,118,152	2,589,873
Buick Division	22,811	19,886	18,112	40,923	496,522	570,185
Skylark	2,058	2,272	1,542	3,600	61,382	55,305
Skyhawk	3,135	1,592	2,324	5,459	39,990	88,420
Somerset Regal	390	.....	136	526	.....	600
Century	5,556	3,612	4,382	9,938	88,691	126,113
Regal	3,960	4,957	3,984	7,944	137,396	124,071
Buick	4,689	6,330	3,711	8,400	143,745	122,076
Riviera	1,103	1,123	834	1,937	25,318	28,929
Electra (fwd)	1,920	.....	1,199	3,119	.....	24,671
Cadillac Division	6,886	5,845	5,130	12,016	179,613	184,381
Cimarron	281	344	208	489	11,309	9,758
Seville	710	532	545	1,255	19,054	22,877
Eldorado	1,590	1,233	1,206	2,796	41,890	44,184
Cadillac	1,760	3,736	1,687	3,447	107,360	81,002
DeVille (fwd)	2,545	.....	1,484	4,029	.....	26,560
Chevrolet Division	30,135	32,165	23,896	54,031	678,641	881,735
Chevette	2,634	4,005	2,023	4,657	101,631	108,090
Cavalier	8,907	8,810	6,633	15,540	152,726	231,621
Celebrity	6,359	4,936	5,214	11,573	70,813	167,423
Camaro	5,254	4,786	4,553	9,807	110,425	146,767
Citation	2,695	1,428	2,233	4,928	59,778	62,439
Malibu/El Camino	.....	3,453	.....	.....	85,935	16,346
Monte Carlo	1,500	2,478	1,195	2,695	51,087	66,273
Chevrolet	1,916	1,652	1,489	3,405	33,746	64,443
Corvette	870	617	556	1,426	12,500	18,333
Oldsmobile Division	21,629	20,913	15,784	37,413	549,901	646,668
Omega	987	1,178	858	1,845	36,275	28,614
Firenza	1,166	859	873	2,039	26,672	41,983
Cutlass Supreme	3,540	6,329	2,788	6,328	157,865	161,077
Cutlass Ciera	5,828	4,541	4,091	9,919	109,050	157,412
Oldsmobile	6,333	7,219	4,840	11,173	197,929	202,753
Olds 98 (fwd)	2,530	.....	1,548	4,078	.....	27,990
Calais	390	.....	135	525	.....	599
Toronado	855	787	651	1,506	22,110	26,240
Pontiac Division	10,436	9,002	8,244	18,680	213,475	306,904
Acadian†	175	342	142	317	9,612	9,491
2000 Sunbird	3,304	2,083	2,307	5,611	56,094	84,295
1000	691	1,212	649	1,340	23,107	22,918
Firebird	2,710	2,523	2,518	5,228	53,670	64,856
Phoenix	430	742	377	807	15,680	14,119
Grand Prix/Bonneville	.....	2,100	.....	.....	55,312	29,733
Parisienne	426	.....	335	761	.....	15,524
Fiero	2,700	.....	1,916	4,616	.....	65,968
HONDA	3,000	1,351	.....	3,000	19,877	69,452
VOLKSWAGEN	.....	.....	.....	.....	49,337	55,431
Total Cars, U. S.	123,597	106,448	95,018	218,615	3,516,432	4,480,410
Total Cars, Canada	13,065	12,829	13,467	26,532	559,102	617,271
N. American Cars	136,662	119,277	108,485	245,147	4,075,534	5,097,681
N. American Trucks	47,257	36,325	38,001	85,258	1,495,963	2,143,881
North American Cars and Trucks	183,919	155,602	146,486	330,405	5,571,497	7,241,562

†—All Acadians and Caravelles are built for sale in Canada. *—Estimated.

Automotive News

July 23, 1984

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AIA asks court to review passive-restraint ruling

By Helen Kahn
Washington Bureau Chief

WASHINGTON.—Sixteen auto import companies have asked the Ninth Circuit Court in San Francisco to review the passive-restraint standard announced by Transportation Secretary Elizabeth H. Dole on July 11.

Members of the Automobile Importers of America (AIA) are concerned about insufficient leadtime to install passive restraints for front-seat positions on 10 percent of production by the '87 model year.

The 16 importers want quick consideration in lieu of a stay pending appeal and they argue that this appeal—filed on July 17—is the "first instituted" since "issuance" of the standard and thus the California circuit is the one with jurisdiction.

Jurisdiction is a matter of considerable importance since on July 11, State Farm and the National Assn. of Independent Insurers (NAII) raced to the courthouse and filed with the District of Columbia Circuit Court 12 identical petitions consecutively. The 12 petitions were filed between 10:47 a.m. and 12:37 p.m.

AIA had filed with the Ninth Circuit on July 11 at 12:15 (Eastern time). AIA also filed in San Francisco on July 12 at 3:15 (Eastern time).

While AIA members—all of the importers except Volkswagen of America and Mercedes-Benz of North America—protest lack of leadtime, State Farm and NAII question the legality of linking rescission of a vehicle safety standard with state belt-use laws covering at least two-thirds of the nation's population. They also question what they consider undue delay in implementing any passive protection for occupants until the 1987-model year.

• Just as the viewpoints of the appellants differ widely, so do the courts they address.

The D. C. Circuit was the one which overturned the Reagan Administration rescission of the 1977 Carter Administration passive-restraint standard and which was upheld by the U. S. Supreme Court. It is generally viewed as liberal and sympathetic to government regulations.

The Ninth Circuit, the one that overthrew the truck anti-lock airbrake standard, is where many of the Japanese import companies have headquarters.

Jurisdiction could depend on which party got to court first and that in turn may depend on when the standard was "issued." AIA said that the time when a signed and corrected version of Standard 208 was placed in the NHTSA docket—3:58 p.m. July 11—was the time of issuance.

Although one version, unsigned and with missing pages, went to the docket at 12:38 p.m. July 11, it was not "issued" because it was incomplete. Therefore, any petition before 3:58 p.m. July 11 is premature and hence invalid.

AIA said the first valid petition—and so far the only one—is the one AIA filed on July 12.

James F. Fitzpatrick, State Farm counsel, said the Transportation Department itself has never issued a rule defining "issuance" of a standard and when State Farm asked DOT on July

Continued on Page 60, Col. 4

Opening up the City

Honda markets ragtop

Honda's Cabriolet version of the City is the first convertible to be offered by a Japanese maker in modern times. Assembly has been subcontracted to Toyo Koki, in central Japan, because expected volume is around 500 units a month. Story on Page 57.

'85 intro dates at GM stretch for 3 months

By Joseph Bohn
Marketing Editor

The traditional new-car announcement has really been put to rest this year, at least as far as Chevrolet and Pontiac are concerned.

Chevrolet has four public intro dates for its '85 models and, on several of them, only one or two car lines will be introduced, according to well-placed dealer association presidents, who were able to sort out the considerable confusion which has surrounded Chevrolet's plans.

Pontiac isn't far behind. It has three intro dates, and they're stretched out over an even longer period than Chevrolet's.

All in all, Chevrolet's will be a series of rolling introductions. Dealers, of course, will be able to pre-sell many of the models as they arrive. But the dates are important for advertising purposes and the 5 percent carryover allowance paid on left-over '84 models.

The Chevrolet dates are: Oct. 2 for Celebrity, Citation, Monte Carlo, Impala-Caprice and Corvette.

Cavalier and Camaro will be introduced Nov. 8; Spectrum (Isuzu import), Nov. 15, and Chevette, Nov. 21.

Pontiac's dates are Oct. 2 for Parisienne, 6000, Grand Am, Bonneville and Grand Prix; Nov. 8 for Firebird and Sunbird 2000, and Jan. 10 for Fiero and 1000.

• General Motors announced earlier that '84 production runs of some smaller cars would be extended to boost its '84 CAFE average. The extension involves the J-cars, the Chevrolet Chevette and Pontiac 1000 and Fiero.

Buick, Oldsmobile and Cadillac will introduce their new models Oct. 2, except for the J-cars which will debut Nov. 8. Their J-cars are Buick Skyhawk, Oldsmobile Firenza and Cadillac Cimarron. The '85 front-wheel-drive C-cars from those divisions arrived last April.

At this point, Ford Motor Co.

Continued on Page 60, Col. 1

NEWSPAPER

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May brings 16.9 pct. gain over last year

Shop volume up 15th straight month

By Francis J. Gawronski
Service Editor

The rate of growth of new-car dealers' service and parts business continued to rise in May to record another solid advance in shop business.

According to the Automotive News Service Index, service and parts volume in May amounted to 116.9 percent of the business done by the industry in the same month a year earlier. The increase in volume over the same month the year before in April was 15.1 percent.

May's increase marked the 15th consecutive month in which shop volume registered an increase over the volume of the same month a year earlier. It also was the third highest of the year.

As in the previous 13 months, all indicators used in the Service Index were on the upside in May, led by sales of parts and accessories with an increase of 20.9 percent over the volume recorded in the same month in 1983.

Shop parts sales, those used in both customer-paid and warranty work, were up 19.6 percent over the 1983 volume, while gross profit on all labor, parts and accessory sales—the most important indicator from the dealer's viewpoint — topped the previous year's gross by 18.9 percent.

Total labor sales (customer-paid and warranty) bettered last year's volume by 15.3 percent, while repair orders written improved 8.9 percent.

Figures used in the Service Index are averages compiled from reports on shop business from a cross-section of the nation's new-car dealers.

For the five-month period of 1984, service and parts volume was 119.0 percent of the business conducted for the same period of 1983.

The leader was parts sales for the January-May period, which escalated 27.7 percent, followed by sales of parts and accessories, which were up 22.7 percent and gross profit, up 19.2 percent.

Labor sales increased 16.2 percent for the period, while repair orders written jumped 9.7 percent.

SERVICE INDEX

116.9*

	May, '84 vs. May, '83	5 mos., '84 vs. 5 mos., '83
Gross Profit on All Labor and P&A Sales	+18.9%	+19.2%
Repair Orders Written	+ 8.9%	+ 9.7%
Total Labor Sales (Customer & Warranty)	+15.3%	+16.2%
Shop Parts Sales (Customer & Warranty)	+19.6%	+27.7%
Sales of All Parts and P&A	+20.9%	+22.7%

*—Survey by Automotive News shows that dealers service and parts business in May, 1984, was 116.9 percent of business in May, 1983. Service business in the four months of 1984 was 119.0 percent of business in the corresponding period in 1983.

breaking news

GM studies new small-car plant for Canada

OSHAWA, Ont.—General Motors is studying the possibility of building a new small-car assembly plant in Canada, according to John F. Smith, president and general manager of GM of Canada. Smith said that should the company decide to build the plant, it could be done in three years and would likely be constructed in Ontario. There is no time frame on a decision. GM recently announced it will spend $1 billion (Canadian) over the next three years to update its Oshawa facilities.

Japanese open U. S. investment HQ

KANSAS CITY.—The Japanese Chambers of Commerce has officially opened its office here with the "primary responsibility to promote investment in the United States." The office represents nearly 500 local chambers of commerce and is staffed by Yukio Sekine, who said his clients are seeking not only acquisitions but also joint ventures with companies offering "unique technology." The investment is to be made by smaller Japanese firms, not giant trading and holding empires.

New Jersey to license body shops

TRENTON, N. J. — In a move designed to protect car owners who have been involved in motor-vehicle accidents, auto body repair shops in New Jersey will be licensed, starting Oct. 1, under rules adopted by Kenneth D. Merin, acting

See BREAKING NEWS, Page 8, Col. 1

Import car supply climbs to 25 days as sales taper off

By Kathleen Hamilton
Assistant Managing Editor

Sales slowdowns last month relieved some of the pressure on import inventories, which eased their way up to what is still a very tight 25 days' supply, or 216,815 cars, on July 1.

One month earlier, there were 23 days' worth of cars in dealer and port stock—213,780.

The sales slowdown affected domestic sales as well as the imports, indicating it was the market—not quotas or the German metalworkers' strike—that was the biggest contributor last month to the imports' sales and inventory changes.

Nevertheless, the German strike did take its toll at BMW, Mercedes-Benz and Porsche.

Although BMW's July 1 days' supply stood at 57, it wasn't as healthy as it appeared: A sharp sales slump caused by shortage-invested inventories inflated BMW's days' supply number. Sales rates for Mercedes and Porsche also slumped as their pipelines were depleted.

By July 1, Mercedes had only eight days' supply of cars.

Porsche had 13 days' supply, but its selling rate had plummeted and its actual inventory level was halved as the marque took a double punch from the strike and from the phase-down by Volkswagen of America of its Porsche supply in anticipation of the new U.S. Porsche importer. Audi's sales picked up a bit during the month, slicing its inventory from 51 days' worth to 31.

• The success of the new Chevrolet Sprint, made by Suzuki, became apparent last month: In its second month on the market, the new little car trebled its sales and halved its inventory level, leaving it with an 18-day supply — the average level for all Japanese makes last month.

On June 1, the Japanese makes had an average of 15 days' worth of cars.

Subaru maintained its sales rate in June, and Chrysler improved its sales of Japanese cars, but the other Japanese makers won their higher days-supply numbers through slower sales.

The Japanese makes opened July with 121,233 cars in inventory, up from the 107,508 in stock on June 1.

Honda once again had only three days' worth of imported cars in stock, but its domestic Accords were at a 15-day level.

German-car inventories on July 1 stood at 53 days' worth, or 60,820, compared with 50 days and 70,086 cars on June 1.

Volkswagen contributed to the increase in days' supply with sharply reduced sales that gave it a 108-day supply of German cars on July 1. Its domestically built Rabbits were worth 70 days and were included in the July 16 Automotive News domestic-car inventory wrapup.

Renault, Saab and Jaguar increased their sales and depleted their supplies last month—Jaguar so much so that it had less than 900 cars in stock July 1. "They're fresh," a Jaguar spokesman said of the cars reaching buyers.

Volvo's sales and inventories fell last month as dealers ran out of cars to sell.

The increase in Alfa Romeo's days' supply can be traced to increased shipments; its selling rate remained steady.

• Inventories of non-German European makes fell slightly during the month, to 34,762 from 36,186. Days' supply fell, too, to 51 from 54.

The Japanese-car days' supply levels on July 1 were Honda imports, 3; Toyota, 13; Chevrolet Sprint, 18; Mazda, 20; Subaru, 20; Nissan, 22; Mitsubishi, 34; Isuzu, 57, and Chrysler, 67. By car line, the Chrysler imports from Mitsubishi were Dodge Colt, 60 days; Plymouth Vista, 61; Dodge Vista, 61; Plymouth Colt, 67; Plymouth Conquest, 109, and Dodge Conquest, 127.

The German makes and their days' supplies were Mercedes-Benz, 8; Porsche, 13; Audi, 31; BMW, 57, and VW, 108.

The days' supplies of the other European makers were Jaguar, 11; Saab, 41; Peugeot, 46; Volvo, 47; Alfa Romeo, 109, and Renault, 152.

Inventories of Japanese light trucks rose from the June 1 level of 73,652 to 79,783. Days' supply rose, too, from 29 to 34. As with cars, the cause was slower sales. Mitsubishi and Nissan saw some sales gains and Chrysler made a large gain, but drops by the other makers offset those.

The combined import-vehicle inventory on July 1 was 296,598, up from 287,432. The July 1 days' supply was 27, up from 24.

IMPORT STOCKS

	July 1 1984	June 1 1984	July 1 1983
Honda	3	3	18
Isuzu	57	67	42
Mazda	20	13	22
Mitsubishi	34	25	87
Nissan	22	18	24
Subaru	20	14	30
Toyota	13	10	14
Chevrolet/Suzuki	18	107	
Chrysler	67	81	65
JAPANESE MODELS	18	15	24
Audi	31	51	34
BMW	57	54	26
Mercedes-Benz	8	19	21
Porsche	13	21	19
Volkswagen	108	68	64
GERMAN MODELS	53	50	34
Alfa Romeo	109	89	48
Jaguar	11	17	20
Peugeot	46	46	109
Renault	152	232	141
Saab	41	52	28
Volvo	47	44	31
OTHER MODELS	51	54	58
TOTAL IMPORTED CARS	25	23	28
Isuzu	60	59	104
Mazda	26	14	36
Mitsubishi	36	48	106
Nissan*	24	26	57
Toyota	29	18	39
Chrysler	81	102	83
TOTAL IMPORTED TRUCKS	34	29	54
TOTAL IMPORTED VEHICLES	27	24	32

*—Including domestic-made trucks

British-Korean sports car due for Calif. plant

By Richard Feast
European Editor

LONDON. — The U.S. will have a new auto maker by the second half of 1986. The Korean-owned Panther Car Co., based in the UK, appears certain to establish an assembly plant in California to produce its new EM25 sports car for the U.S. market.

Young C. Kim, chairman and chief executive, told Automotive News that the parent Jindo Group's factory near Long Beach will produce between 650 and 750 units annually for the U.S., while Panther in the UK will build around 1,000 a year for the domestic and European markets.

Kim's mid-engined two-seater will sell in the U.S. in the $18,000 bracket and in the UK at around 10,000 pounds. "There really is no competition at the price," Kim asserted.

He believes the volume-production mid-engined models by Pontiac and Toyota will appeal to different customers. And he is very much aware of the relatively cheap sports cars which are being developed by Lotus and Reliant in England with American exports in mind.

EM25 will use an aluminum body and chassis made by one of the Jindo companies in South Korea. These will be sent to California and England for final assembly.

The new car will weigh less than 1,900 pounds. It will be powered by a turbocharged version of Ford's 1.6-liter CVH engine and have a top speed of 120 MPH.

Kim said that over the longer term, performance and market appeal will be further enhanced by offering a bigger engine option.

All key mechanical components — steering, suspension, braking, transmission, electronics and so on — are stock Ford parts.

• The car is the design work of three men. Len Bailey, who was responsible for Ford's GT40 race cars of the 1960s, is the chassis engineer. The others are Ken Greenley, a former Vauxhall stylist who is now a lecturer at London's Royal College of Art,

Continued on Page 61, Col. 4

Sky-Top skytop for 300-ZX

Sky-Top Sunroofs, Ltd., St. Louis, is marketing a power moonroof to fit the 1984 Datsun 300-ZX 2+2 coupe. It is electrically operated and there is nothing to lift off or store, Sky-Top said.

Chrysler's $803 million is alltime top quarter

By Michelle Krebs
Financial Editor

Chrysler Corp. reported record earnings of $802.9 million, or $6.48 per share, and record sales of $5.3 billion for the second quarter of this year. It was the most profitable quarter in Chrysler's history.

"This kind of performance ain't bad for a broke company," said Chrysler Chairman Lee A. Iacocca at a press conference to announce the earnings.

Earnings for the quarter were up 159 percent from the same quarter last year when Chrysler earned $310.3 million, or $2.41 per share, on sales of $3.6 billion.

The second-quarter earnings also broke Chrysler's any-quarter record of $705.8 million in the first three months of this year.

First-half earnings totaled $1.5 billion, or $12.12 per share, compared with last year's $482.4 million, or $4.72 per share. Earnings for the half surpassed full-year earnings of $700.9 million in 1983.

"The real news in the second quarter, in one word, is volume," said Iacocca. "While the market isn't on fire, it is healthy . . . Some of our products are on fire. The minivans continue to be sold out for the year. The (Chrysler) Laser/(Dodge) Daytona, for the first time in June, cracked the 10,000 sales per month mark."

Sales for the first half of 1984 totaled $10.2 billion, compared with last year's $6.7 billion.

Iacocca noted that Chrysler's combined car and truck market share in North America rose to 11.5 percent in the first half from 11.0 percent last year.

"In the turbo/minivan/Laser world, we're seeing people we never saw before," Iacocca said. "The last research I saw showed about 30 percent of those buyers have never been in a Chrysler dealership in their life. And the buyers are young — 35 to 38."

• Nevertheless, Iacocca warned workers and the UAW: "It's not all euphoric. It's not all over yet. We've got a $9.5 billion capital investment program (over the next five years) to finance.

"And with the $800 million being reported today, the deficit since I came on board drops to $1.1 billion. Before this, it was $1.9 billion, and when I took

Continued on Page 60, Col. 3

Allows buyer to select model and equipment

Chevy computer to change selling

By Joseph Bohn
Marketing Editor

Chevrolet is launching an experimental program, the outcome of which could have a profound impact on the way dealerships sell cars and trucks in the future.

The division is putting "Chevy vision" computer terminals with torch screen operation into 50 dealerships, according to one of the software companies bidding on the project.

The new system allows a customer to select and completely spec out any vehicle according to his inclinations.

He might start with a truck with a specified amount of payload and keep feeding the machines questions about colors, options etc., until he has the choice or choices he desires.

Ford already has such a computer at Metropolitan Airport in Detroit.

Ford's computer is more a promotional and informational tool, though, and geared to giving prospecting opportunities to dealers.

Prospects who use it provide names and addresses, allowing dealers to call back at a later day and pitch them on the kind of product on which they were soliciting information from the computer.

• Chevrolet's move, though, raises interesting questions about how vehicles will eventually be sold.

Some observers maintain that salesmen can never be replaced. But others feel that eventually there'll be a need for fewer salespeople as a result of such computers.

"Nobody's saying it, but it may greatly reduce the number of salespeople. A customer specs out his car. You get computerized information and approval on financing from GMAC. You have electronic fund transfers," noted one observer, who compares the outcome to shopping at Photomat.

At the very least, it will reduce the number of sales brochures, data books, catalogs and a raft of materials currently carried in dealerships.

Call it 21st century marketing, or "re-inventing the wheel."

The future, as it was described by some merchandising people only a few years ago, is beginning to arrive.

From Hess & Eisenhardt

Chevrolet dealers across the country are marketing this '85 Chevrolet Celebrity convertible from Hess & Eisenhardt Co., Cincinnati. It features power top, power quarter windows and is available with Eurosport and tempered glass/rear window defogger options.

Canadian UAW wants increase—now

Chrysler profits spur wage demand

By Marjorie Sorge
Labor Editor

UAW Vice President Robert White has called for an immediate wage increase and improvements in pension benefits for Chrysler workers in light of the company's record first-half profits.

In a telegram to William S. Fisher, Chrysler Canada personnel director, White called for an immediate $1.01 per hour (Canadian) wage increase and $40 additional a month for pensioners. That amounts to $0.75 in U. S. dollars for hourly workers and $30 a month for pensioners.

White, director of the UAW's Canadian region, called for an immediate meeting to discuss the situation.

At presstime the UAW in the U. S. had not made a similar demand.

Chrysler last week reported profits of $1.5 billion for the first six months of 1984; $706 million for the first quarter and $803 million for the second quarter. It projects full-year profits of $2.5 billion. White said the Canadians are responsible for 25 percent of those profits.

At a press conference announcing the record profits, Chairman Lee A. Iacocca said the current labor contract is a good one for Chrysler workers. He said labor rates have gone up another $1.70 an hour since the contract was negotiated in August, 1983.

Chrysler said it has received the UAW's telegram, is studying it and "will respond in due course."

• "The latest sales and profit figures for Chrysler Corp. show not only a complete recovery for Chrysler but also a complete recovery for Chrysler of Canada," White's telegram said. "Chrysler workers are still over $1 an hour behind Ford and General Motors workers as a result of concessions that were made in 1979, 1980 and 1981. Pensions are still far behind as are other benefits.

"I am, therefore, calling for Chrysler to return Chrysler workers, both hourly and salaried, and Chrysler Corp. retirees to full parity with Ford and GM workers immediately. There is no reason why Chrysler workers should be subjected to these continuing concessions and be denied parity until September, 1985. The cost of returning these wages and benefits is microscopic compared to Chrysler profits."

White estimated that the increases would cost Chrysler $20 million in Canada (about $15 million in U. S. dollars). There are about 10,000 UAW-represented Chrysler Canada workers. Their wages would improve between $1,600 and $2,000 annually with the increases, he said.

White did not call for a reopening of the current contract which expires in October, 1985. That contract gives the workers a 38-cent-an-hour raise in May of 1985, 40 cents in June of that year and 23 cents in September. He is demanding the entire amount now. The increases would also affect holiday pay, overtime and shift premiums, he said.

An assembler at Chrysler Canada currently makes $9.62 an hour plus $2.43 cost-of-living-adjustment, or $12.05 an hour Canadian ($9.04 U. S.).

Pensions would increase from $895 a month Canadian to $935 (or $702 U. S.).

In the three contracts negotiated during the recession in the auto industry, Chrysler workers made concessions worth more than $1 billion, company-wide. Of that Chrysler Canada workers made concessions worth $100 million.

Shorter work time an issue as talks open at Big Two

Canada Ford seeks softer contract

By Marjorie Sorge
Labor Editor

TORONTO. — Substantial wage and pension increases and more time off the job are the major demands of the Canadian UAW, which opened contract talks with General Motors of Canada and Ford Motor Co. of Canada last week.

UAW Vice President Robert White, director of the Canadian region, said the UAW is asking for an upfront wage increase, annual wage improvement of more than 3 percent in the first year of the contract and 3 percent in the second and third years.

He also said the Canadian UAW intends to build on the made-in-Canada contracts first negotiated in 1982.

"The pre-1982 days of rubber stamping (the U. S. contracts) are gone," he said.

The two auto companies, however, seemed to call for moderation in contract demands, citing their need to be competitive as a major issue.

The contracts at both companies expire Sept. 14. Both the companies and the union have said they believe a settlement can be reached without a strike.

White, who indicated that a three-year pact is preferable, presented the UAW demands to the auto companies and, in the process, received a little surprise from Ford.

While GM listened to the demands and presented none of its own, Ford immediately asked for reduction in representation and changes in work practices. White labeled the demands "concessions" and indicated the union would not agree to any of those changes.

Arthur W. Hanlon, industrial relations vice president for Ford of Canada, said the company's proposals are not concessions but changes in work practices that "are nettlesome to us."

Hanlon said he has a "hunch" that the UAW in the U. S. will be presented with similar demands when talks open with Ford tomorrow (July 24).

Another area of conflict is the shorter worktime. The Canadian UAW maintains it is entitled to nine paid days off a year (or 72 hours), the equivalent of what it gave up in the 1982 contract when the paid personal holidays (PPH) were eliminated. The UAW is not necessarily tied to the PPH formula, just to the nine days off annually.

Both Ford and GM are opposed to return of the PPH days.

"We feel (the paid personal holidays) were very detrimental to the production of automobiles," said Rodney L. Andrew, general director of personnel for GM of Canada. "It probably was a detriment in the area of quality because of rotating people on certain jobs. Most assuredly, it hurt us in the cost factor and it will be a very tough issue."

Hanlon agreed with Andrew that PPH days cause quality problems. He called them another form of absenteeism and said: "I don't see a lot of merit in it."

While both companies are opposed to a return of PPH days, there were indications that both have been studying alternatives for shorter worktime. White also said that while the UAW is committed to reducing worktime, the union would be willing to listen to alternative plans if the auto companies could prove PPH days hurt quality.

Negotiations in Canada, as well as the U. S., began when the Big Two are sporting substantial profits on both sides of the border. GM of Canada made $675.6 million in 1983 and, according to the UAW, it has made more than that in the first six months of this year. In 1981, it lost $10.3 million and in 1982, it lost $71.7 million.

Ford of Canada made $85 million in 1983 and, according to White, made $100 million in the first quarter of 1984. In 1982, Ford was losing $1 million a day.

Hanlon said this past showing must be kept in perspective when discussing the current profits.

"You can't just take one year's performance," he said. "There is no guarantee for the future. You can't count money you haven't taken into the coffers yet.

"And, also, we suffered severe balance sheet damage. We made $153 million last year in consolidated operations and in Canada alone, $85 million. But in the last four years, we lost something like $400 million. You have to look at that."

The Canadian UAW has demanded significant improvements in wages, but the two companies indicated moderation is the key.

"I understand the demand, of course," said Andrew. "But you have to take another thing into perspective. The Canadian UAW is about 30 percent over the manufacturing average of all of Canada. Its members are among the best paid factory employes in the country and throughout the world.

"And, of course, to stay competitive we have got to look at the world. After all, a great deal of the production in Canada is shipped outside so we are trying to, number one, get jobs to come into Canada. Do I think the demand is justified? Certainly. If we are making a profit, we expect the UAW to come to us with that demand."

Workers in Canada make $13.07 (Canadian) an hour at GM or $9.80 an hour in U. S. currency and $13.08 an hour Canadian or $9.81 U. S. at Ford. That includes $3.44 cost-of-living-adjustment (COLA) Canadian or $2.59 U. S.

In the U. S., workers make about $12.67 an hour at GM and $12.68 an hour at Ford. Both include $3.04 COLA.

In the 1982 Canadian contract, the Big Two and the UAW agreed to base the COLA formula on Canadian inflation beginning this March. In the past, it was based on the combined Canadian/U. S. Consumer Price Index and is still that way in the U. S.

Other demands by the UAW include affirmative action proposals, getting more women on the job, child care programs, a legal services plan, a nutrition program, a fitness program and more paid educational leave.

New Jersey fines three dealerships on price ads

NEW EGYPT, N. J. — Three New Jersey new-car dealerships have been ordered to pay fines for violating a Division of Consumer Affairs regulation prohibiting advertisements that compare auto prices with a dealer's cost or inventory price.

Superior Court Judge Paul B. Thompson ordered J. P. Chevrolet, Inc., to pay $1,000, but only after the dealership had agreed to stop advertising its car prices at "$49 over invoice."

Wild Bill's Paramus Dodge, Inc., and Wild Bill's Paramus Chrysler Plymouth were also fined a total of $6,500 for a similar violation. Wild Bill's advertisements reproduced a factory invoice with an arrow pointing to the price with the statement, "Buy at rock bottom."

Judge Thompson said he based his decision on a Feb. 4, 1984, ruling by the Appellate Division of Superior Court upholding the Division of Consumer Affairs' regulation against a challenge by Arrow Pontiac in Little Falls, N. J.

State Consumer Affairs Director James Barry said the 1976 regulation is intended to prevent deceptive or misleading advertising.

Two ponies for a pickup

Ted Britt Ford Sales, Inc., Fairfax, Va., has built a reputation on the slogan "We Trade Anything." M. G. (Ted) Britt, owner and chairman of the dealership, is living up to his reputation. Britt is shown with Katherine Mack, of Middleburg, Va., and the two Irish Conamara ponies she traded for a Ford F-250 4x4 pickup truck.

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59th year — No. 5032

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Will spend $250 million to convert St. Louis plant for '86 models

Chrysler to build minivans in U. S.

By Michelle Krebs
Financial Editor

Chrysler Corp. last week confirmed that the St. Louis Assembly Plant II will be the second plant to produce its popular minivans for the 1986 model year.

Chrysler's Windsor (Ont.) facility presently is the sole plant for production of the Plymouth Voyager, Dodge Caravan and Dodge Mini Ram Van, which are virtually sold out for the rest of the model year. The plant has been running at full capacity to meet the demand, and Chrysler has experimented with a third shift in Windsor, though that did not work.

Chrysler said it will spend $250 million to convert the St. Louis plant, where rear-wheel drive passenger cars now are built. The conversion, which involves expanding the plant by 224,000 square feet, begins in June, 1985.

Chrysler Chairman Lee A. Iacocca said the plant will start off at a rate of 160,000 minivans per year, but combined production of the St. Louis and Windsor plants will climb quickly to 430,000 per year, he said.

Iacocca appeared undaunted by the fact that Ford Motor Co. and General Motors will have minivan entries in the coming model year.

"We know there's competition coming . . . But the more we see of them, the more we see they differ from our concept completely," Iacocca said, calling the competitions' minivan versions "chopped trucks."

• The St. Louis plant now employs 3,400, and Chrysler said that employment level will be maintained.

The St. Louis plant produces the Chrysler Fifth Avenue, Dodge Diplomat, Plymouth Gran Fury and Plymouth Caravelle Salon, which were moved to St. Louis from the Windsor plant to accommodate minivan production.

Iacocca said a decision on how long Chrysler will continue to produce the rear-wheel drive cars has not been made.

"We decided two years ago to drop it . . . The thing won't die," Iacocca said, adding it may be continued "in some form somewhere."

In addition, no decision has been made on where the P-car will be built. The P-car was originally planed as a replacement for the Dodge Omni and Plymouth Horizon.

Iacocca said there is no guarantee the P-car will be produced at Chrysler's Belvidere (Ill.) plant, where the Omni and Horizon are made. At Chrysler's annual meeting in June, Iacocca said the company is hesitant to discontinue production of the cars as originally planned since they are selling well.

Sweetening the grand opening

An angel food cake sweetened festivities at the grand opening of Banning Chrysler - Plymouth - Dodge, Banning, Calif. Co-owners Gil Feuerman, left, and John Holderness, right, flank Chrysler Corp. executives Jan Thompson, sales planning and distribution manager, Los Angeles zone, and Cory Whittaker, district manager.

NEW-CAR MARKET SHARES IN U. S.

	MAY					5 MONTHS				
	Regis., May, 1984	Percent Share of Market	Regis., May, 1983	Percent Share of Market	Pct. Pt. Change 84 vs. 83	Regis., 5 Mos., 1984	Percent Share of Market	Regis., 5 Mos. 1983	Percent Share of Market	Pct. Pt. Change 84 vs. 83
Chevrolet	146,079	16.49	115,341	14.93	+ 1.56	651,740	15.94	484,525	14.29	+ 1.65
Ford	108,160	12.21	86,601	11.21	+ 1.00	518,918	12.69	380,183	11.21	+ 1.48
Oldsmobile	99,575	11.24	86,350	11.17	+ 0.07	457,453	11.19	366,862	10.82	+ 0.37
Buick	85,105	9.60	71,974	9.31	+ 0.29	367,068	8.98	307,605	9.07	− 0.09
Pontiac	64,345	7.26	44,448	5.75	+ 1.51	280,242	6.86	185,263	5.47	+ 1.39
Mercury	44,912	5.07	33,018	4.27	+ 0.80	206,329	5.05	141,569	4.18	+ 0.87
Dodge	33,528	3.78	29,563	3.82	− 0.04	144,267	3.53	122,484	3.61	− 0.08
Chrysler	26,903	3.04	23,127	2.99	+ 0.05	119,972	2.94	98,696	2.91	+ 0.03
Cadillac	26,120	2.95	25,553	3.31	− 0.36	122,217	2.99	111,244	3.28	− 0.29
Plymouth	25,579	2.89	28,743	3.72	− 0.83	116,005	2.84	112,754	3.33	− 0.49
AMC	14,871	1.68	16,527	2.14	− 0.46	75,590	1.85	82,553	2.44	− 0.59
Lincoln	11,971	1.35	7,505	0.97	+ 0.38	53,071	1.30	37,409	1.10	+ 0.20
GENERAL MOTORS	421,224	47.54	343,666	44.47	+ 3.07	1,878,720	45.96	1,455,499	42.93	+ 3.03
FORD MOTOR CO.	165,043	18.63	127,124	16.45	+ 2.18	778,318	19.04	559,161	16.49	+ 2.55
CHRYSLER CORP.	86,010	9.71	81,424	10.53	− 0.82	380,244	9.31	333,934	9.85	− 0.54
AMC	14,871	1.68	16,527	2.14	− 0.46	75,690	1.85	85,553	2.44	− 0.59
IMPORTS	198,796	22.44	204,062	26.40	− 3.96	974,480	23.84	958,631	28.28	− 4.44
MISC. DOMESTIC	30	0.00	39	0.01	− 0.01	108	0.00	341	0.01	− 0.01
TOTAL	885,974		772,842			4,087,560		3,390,119		

Automotive News analysis of new-car registrations based on R. L. Polk & Co. statistical report. New York, Oklahoma, 1984, from manufacturers' sales records. Oklahoma '83 figures not available. Current Alaska delayed.

May total tops 1983 by 14 pct.

Registrations reach 5-year peak

By Jenny L. King
Staff Writer

May new-car registrations were up 5.89 percent from the preceding month and made a 14.64 percent gain over year-earlier figures, according to numbers from R. L. Polk & Co.

Registrations were highest for May since 1979. The May record is 1,061,204, set in 1973.

Combined domestic and imported-car numbers totaled 885,974, up 5.89 percent from 836,717 in April and up 14.64 percent from 772,842 in May of 1983.

The import share of the market plunged nearly four percentage points, to 22.44 percent this May from 26.40 percent a year ago.

Domestic registrations climbed 20.82 percent May to May, to 687,178 from 568,789. Ford Motor Co. and General Motors made substantial gains in their shares of the month's market, as Chrysler, AMC and the imports fell back.

Ford was ahead 2.18 percentage points, to 18.63 percent from 16.45 percent and GM expanded 3.07 percentage points, to 47.54 percent from 44.47 percent.

For the month, Chrysler dropped 0.82 percentage points, to 9.71 percent from 10.53 percent. American Motors slipped 0.46 percentage points, to 1.68 percent from 2.14 percent, and miscellaneous domestics were off the map, down from 0.01 percent 12 months earlier.

Table on Page 56.

• With imports yielding four percentage points in the market class area, subcompacts, compacts, intermediates and luxury cars all increased penetration.

U. S. subcompacts were up to 12.33 percent in May from 11.99 percent last year; compacts grew to 19.17 percent from 16.38 percent; intermediates were up to 27.68 percent from 26.01 percent, and luxury models claimed 7.96 percent, up from 5.39 percent.

Domestic standard-size cars

Continued on Page 60, Col. 2

breaking news

Continued from Page 1

state insurance commissioner. The rules will apply to 4,500 to 6,000 body shops statewide. They must apply for a license by Aug. 31. The rules require shops to give customers written estimates, and to maintain copies of all invoices, work orders and estimates for two years. Violators will face license suspension or revocation. They could be fined up to $2,000 for a first offense and $5,000 for a second offense.

Engine milestones marked in Japan

TOKYO.—June was a milestone month for engine production by Japanese auto makers. Toyota built its one-millionth twin-cam, in-line six during the month, the first time any Japanese maker had reached that production figure. Nissan built its 200,000th V-6 during June.

Six European auto makers battling for sales leadership

By Dan McCosh
Detroit Reporter

Europe's highly competitive car market hit the halfway point at about 5.6 million units, down less than 3 percent from last year, despite the effects of a seven-week strike that shut down most of West Germany's auto production.

The volatile market saw Renault slide to sixth place from its No. 1 spot at the end of 1983, while the long-dormant United Kingdom market was running at record strength with a decline in import penetration.

Ford surged to a five-year high, while GM presented a strong challenge.

The fact that the two French auto makers, Renault and Peugeot-Citroen, were in sixth and fifth place and showed the largest year-to-year losses defied the analysis that the West German strike was the most significant factor in the overall slip.

GM credits the success of its Vauxhall Cavalier (J-car) for most of its recent sales gains. The car has been particularly successful against the Ford Sierra in the UK fleet market — an arena that was formerly dominated by Ford's Cortina which Sierra replaced.

Preliminary figures for the top six in the first half show Fiat in the lead, with 744,400, a 13.2 percent market share; Ford second with 733,500, a 13 percent share; Volkswagen-Audi at 666,500, an 11.8 percent share; GM at 655,000, an 11.6 percent share; Peugeot at 639,700, an 11.3 percent share, and Renault at 594,900, a 10.5 percent share.

Rankings a year ago were Ford, Renault, Volkswagen, Fiat, Peugeot and GM.

But it wasn't, so owners sue GM

The 'last' convertible

By Jake Kelderman
Washington Reporter

WASHINGTON. — And now one for "the best laid schemes of mice and men gang aft agley" category:

Abraham P. Korotki, a Baltimore attorney, thought he had a real investment when he bought his loaded Cadillac Eldorado convertible in August, 1976, for $16,250.

GM said this would be the "last convertible in America," and Korotki figured it would become a valuable collector's item.

Imagine Korotki's surprise then when GM again offered convertibles in 1983. Korotki was so surprised, in fact, that he decided to sue GM for alleged fraudulent advertising.

A local chiropractor, Richard K. Adolph, felt the same way and joined Korotki in demanding that GM compensate them and all other 1976 Cadillac convertible owners, about 14,000 across the country, for alleged loss of value.

GM attorneys, not unexpectedly, maintain there is no evidence to supoprt Korotki's claims that GM intended, as part of a fraudulent scheme, to resume convertible production after the 1976 model year.

A U. S. District Court judge in Baltimore will decide the case later this year.

Convertible popularity reached its peak in 1965 when U. S. producers sold about 500,000 ragtops. Seven years later, though, they sold only about 76,000 and by 1973, American Motors, Ford Motor and Chrysler Corp. had stopped production. In 1976, GM built the "last" of its convertibles.

In the auto business, however, things have a habit of coming around again, and in 1981 Chrysler reinvented the ragtop. At the end of 1983, convertibles held a 2 percent share of the new-car market.